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Document No. <u>6</u>
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Class. Changed To: TS S <u>(C)</u>
Auth.: HR 70-2
Date: <u>10 OCT 1978</u> By: <u>O/K</u>

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Chief, EE
ATTN: Chief, Finance Division
Chief of Station, [REDACTED]

INFO: Chief, EE
Comptroller

Administrative/Finance

Notes on Finance Officer Meeting of 18 May 1956

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1. In addition to the Chief, TAS, the Finance Officers from the [REDACTED] and [REDACTED] Stations attended our regular bi-monthly meeting held 18 May at POB. Their participation in the meeting proved to be mutually beneficial; so much so that it was recommended that consideration be given to extending invitations to the other Finance Officers in the European area. The Chief, TAS, indicated he planned to discuss this with you upon his return to Headquarters. He was particularly pleased with the timing of the meeting as it was just at the end of his TDY in [REDACTED]. It afforded him an opportunity of summing up his two weeks here, pulling together any loose ends in his notes, and better getting the feel of finance problems as encountered in the field on an objective basis.

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25X1A 2. The agenda, previously furnished you in [REDACTED], included study of certain of the [REDACTED] with particular emphasis on interpretation, weaknesses, and recommended changes. Summarized below are points developed during our discussions:

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A. [REDACTED]

(1) Increasing use of the contingent provisions in paragraph 1b(2) has been necessitated due to non-receipt of allotments or withholding of funds by area division budget sections. Allotments for certain projects have often been below amounts as approved in the FPO or programmed figures as well as below normal expenditures as reported over an extended period. This situation has not been confined to just one area division. Examples are [REDACTED] and certain projects funded through it, [REDACTED], and SE allotments. In this connection, the Chief, TAS advised that the EE Budget Officer had requested him to point out the necessity for use of the estimated obligation column on Schedule E. The Finance Officers agreed that our failure to include figures in this column may have contributed to the difficulty and will commence using the column soonest. Procedures heretofore called for including figures in this column only in instances where it was expected that the subsequent monthly obligation would exceed 10% of the normal monthly expenditures. This was in accord with previous arrangements made with the EE Budget Section.

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Recommendation

It is suggested that positive action be taken to advise the field

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whenever allotments are being reduced by including appropriate explanation on the allotment advice. In the event no allotment for the quarter is being issued, statement to this effect in the quarterly transmittal dispatch for the other allotments will be most helpful.

(2) The question of delegation of authority by the COS was considered. It was the consensus of opinion that in the absence of specific language prohibiting delegation, the COS can delegate necessary authority to appropriate officers in the Station. The Chief, TAS stated that there is a legal opinion to this effect. Likewise, this understanding has consistently been reaffirmed in various dispatches from Headquarters, the latest being 27508.

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(3) The requirement in paragraph 6c relative to individual certificates for EACH expenditure not covered by a receipt was questioned, particularly with respect to its applicability to Class A Stations.

Recommendation

Consideration be given to the elimination or easing of this requirement. If Headquarters feels that a comprehensive statement in lieu of missing receipts is not acceptable or feasible, then it is suggested consideration be given to permitting like disbursements to be combined in one certificate, i.e., expenditures for phone calls, tram tickets, rail fares, etc. The local Audit Group has been sounded out on this and indicated they feel this is a reasonable request, and favored a comprehensive certificate for use .

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(4) Current Headquarters policy regarding bonding of Finance Officers would be helpful. Paragraph 8 indicates this is a responsibility of the Finance Division. However, the Station would appreciate a list of the officers for whom bonds have been purchased.

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(5) The provisions of paragraph 10 relative to loss of funds and overages were subjected to considerable discussion and we might add considerable criticism. It was brought out that the cost involved in following the procedures in the vast majority of instances far exceeds the amount of any monetary loss. Also, in the case of overages there would appear little likelihood that any determination other than to credit the sum to "Miscellaneous Receipts" could be made.

Recommendation

The Station be permitted to take final action on all shortages or overages not in excess of \$25.00. Headquarters may well wish to consider a higher figure. It is noted that Reports of Survey can be

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settled by Depot Chiefs for sums up to \$100.00 and Senior Representatives (now COS) are the approving authority for all Reports of Survey not in excess of \$1,000.00.

(6) In discussing paragraph 11 dealing with procedures to be followed in processing "Miscellaneous Receipts and Sundry Funds," the point was raised that these procedures, as well as many others in the [REDACTED], are more appropriate for Class B Stations. It is assumed that the [REDACTED] Stations will take this into account and likewise incorporate the accounting procedures outlined in [REDACTED] dispatch covering "cash collections." At present, the [REDACTED] that certifying officers are subject to all of the [REDACTED] with the exception of paragraphs 2, 3, 5, and 11 of [REDACTED] B. [REDACTED]

(1) A definite need for "object classifications" which will correspond more closely with data required in the budget submissions is becoming increasingly evident. This is applicable in both the Support and Operational fields.

(2) With respect to operational expenditures, they are in the main under 17.1 - 17.8 - 17.9. The budget data sheets nevertheless require a complete objective breakdown. The task of correlating the actual expenditures with those budgeted is thus an extremely difficult one and in many instances cannot be done within time limits set by Headquarters.

Recommendation

That immediate steps be taken in conjunction with the area budget offices and Budget Division to establish field object classifications parallel with the desired field budget breakdown.

C. [REDACTED]

(1) As you suggested, the subject of T/As was taken up with the Chief, TAS. We still feel greater use of the transfer schedule can be made and considerable paper work eliminated if a task force were assigned to this problem. He promised to take this up with you upon his return.

(2) During our meeting, the [REDACTED] Finance Officer brought up the question of furnishing Headquarters with info copies of T/As affecting other Stations. He stated that this requirement was waived for the FE area in 1954.

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Recommendation

We would appreciate your considering a similar waiver for this area or, failing this, permission to include the copies with the regular monthly accountings rather than having to forward them individually.

Also, if we are to continue to live with T/As, it was suggested that early consideration be given to the use of "snap-out" forms and elimination of transmittal dispatches.

(3) The Station is experiencing some difficulty in processing travel claims as a result of the "over-printing" stamps being placed on the Headquarters T/As in lieu of Travel Data Sheets. Apparently, the problem centers around incomplete information being received as to exactly what was authorized. Similar difficulty is likewise being encountered in processing contract agent travel claims as no orders are received and it is often difficult to ascertain exactly what was authorized particularly on PCS transfers from the States.

Recommendation

That complete travel data be forwarded to the field on all PCS transfers, including contract agents. Travel orders should be attached to the T/A, if possible, or all information relative to authorization contained therein transcribed to the T/A.

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procedural changes occur. The Chief, TAS outlined the difficulties in coordinating such issuances in Headquarters and the type of road blocks encountered. He agreed to consider the appropriateness of having all amendments forwarded promptly under signature of the Comptroller, with

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3. Your comments in [REDACTED] concerning our meeting of 20 January were most appreciated and we have relayed them to all the Finance Officers in [REDACTED]. As you undoubtedly suspected, there was considerable jubilation by all when the news was received that we could dispense with the quarterly advance schedule. The statement relative to the submission of separate Schedules of Expenses and Status of Allotments, however, puzzled us. The references quoted stated this was being considered and was not interpreted to constitute authority for splitting the schedule. Consequently, we are continuing to submit a combined schedule pending further instructions.

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1 June 1956

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